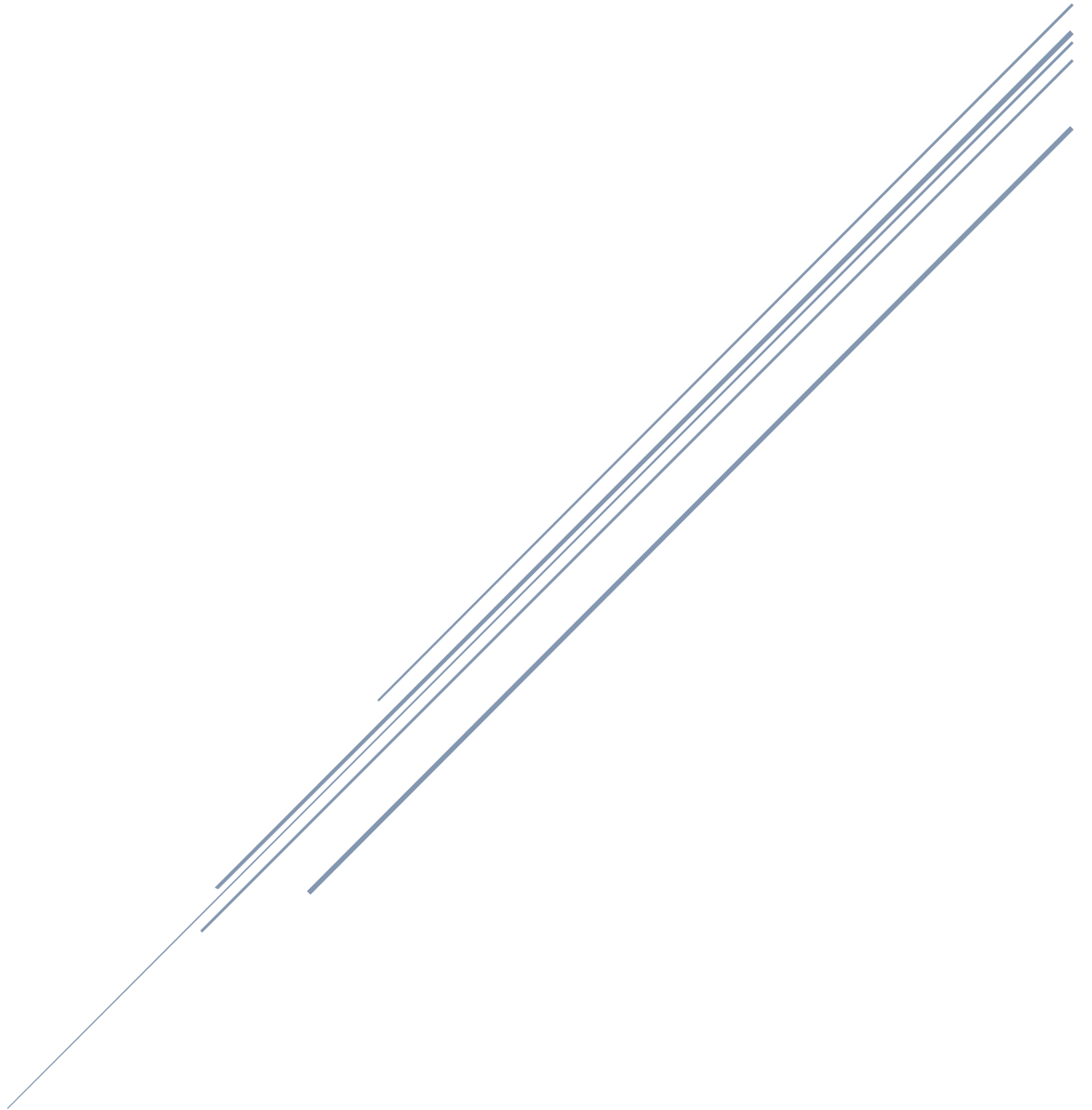


BY-LAWS

Cinnamon Village Homeowners Association



By- Laws of Cinnamon Village Homeowners Association

TABLE OF CONTENTS

	PAGE
ARTICLE I- Definitions	
1.1 Declaration	4
1.2 Association	4
1.3 Articles of Incorporation	4
1.4 By- Laws	4
1.5 Declarant	4
1.6 Board	4
1.7 Property	4
1.8 Common Area	4
1.9 Lot	5
1.10 Mortgage	5
1.11 Mortgagee	5
1.12 Owner	5
1.13 Residence	5
1.14 Class I Lot	5
1.15 Class II Lot	6
ARTICLE II- Offices	
2.1 Registered Office and Agent	6
2.2 Principal Office	6
ARTICLE III- Owners' Meetings	
3.1 First Annual Meeting	6
3.2 Subsequent Annual Meetings	6
3.3 Special Meetings	6
3.4 Notice of Meetings	6
3.5 Waiver of Notice	6
3.6 Organization	7
3.7 Voting	7
3.8 Owners Entitled to Vote	7
3.9 Proxies	7
3.10 Quorum	7
3.11 Action by Owners Without a Meeting	7
ARTICLE IV- Board of Directors	
4.1 Number and Term of Office	8
4.2 Election of Directors	8
4.3 Nomination	8

	PAGE
4.4 Removal of Directors	8
4.5 Vacancies and Newly Created Directorship	8
4.6 Resignations	8
4.7 Powers	9
4.8 Duties	9
4.9 Regular Meetings	10
4.10 Special Meetings	10
4.11 Notice	10
4.12 Waiver of Notice	10
4.13 Quorum	10
4.14 Action by Directors or Committee Without a Meeting	10
4.15 Compensation	10
 ARTICLE V- Committees	
5.1 Committees	11
 ARTICLE VI- Officers and Agents	
6.1 Officers	11
6.2 Term of Office	11
6.3 Election of Offices	11
6.4 Resignation	11
6.5 Removal	11
6.6 Vacancies and Newly Created Offices	11
6.7 Special Appointments	12
6.8 President	12
6.9 Vice President	12
6.10 Secretary	12
6.11 Treasurer	12
6.12 Compensation	12
6.13 Surety Bonds	12
 ARTICLE VII- Indemnification of Directors and Officers	
7.1 Indemnification	13
 ARTICLE VIII- Assessments	
8.1 Assessments	13
 ARTICLE IX- Miscellaneous	
9.1 Fiscal Year	13
9.2 Seal	13
9.3 Books and Records	13

	PAGE
9.4 Waivers of Notice	13
9.5 Amendments	13
9.6 Limitations on Amendments	14
9.7 Annual Audited Financial Statements	14
9.8 Document Conflict	14
SECRETARY'S CERTIFICATE	15

By- Laws
Of
Cinnamon Village Homeowners Association

ARTICLE I
DEFINITIONS

- 1.1 **Declaration.** “Declaration” shall hereinafter mean and refer to the Declaration of Covenants, Conditions and Restrictions for Hampden Hills at Aurora Subdivision Filing No. 3 (Cinnamon Village) dated July 2nd, 1979, and recorded July 3rd, 1979, in the records in the office of the Clerk and Recorder of Arapahoe County, Colorado, as the same may be amended from time to time.
- 1.2 **Association.** “Association” shall hereinafter mean and refer to Cinnamon Village Homeowners Association, a Colorado non-profit corporation, its successor and assigns. The Association shall act by and through its Board of Directors and its elected officers.
- 1.3 **Articles of Incorporation.** “Articles of Incorporation” shall hereinafter mean and refer to Articles of Incorporation of the Association, as the same may be hereafter by amended from time to time.
- 1.4 **By- Laws.** “By-Laws” shall hereinafter mean and refer to these By-Laws, as the same may hereafter be amended from time to time
- 1.5 **Declarant.** “Declarant” shall hereinafter mean and refer to Alpert Corporation, a Colorado corporation, and its successors and assigns, if such successors or assigns acquire two or more underdeveloped Lots from the Declarant for the purpose of constructing residences thereon.
- 1.6 **Board.** “Board” shall hereinafter mean and refer to the Board of Directors of the Association.
- 1.7 **Property.** “Property” shall hereinafter mean and refer to the following described real property, to-wit:
- Hampden Hills at Aurora Subdivision Filing No. 3, Arapahoe County, Colorado, according to the plat thereof recorded on September 11th, 1978, in Book 35 at Page 53 of the records in the Office of the Clerk and Recorder of Arapahoe County, Colorado;
- and shall also hereinafter mean and refer to any additional real property or real properties as may hereafter be bought within the jurisdiction of the Association pursuant to the provisions of the Declaration.
- 1.8 **Common Area.** “Common Area” shall hereinafter mean and refer to Tracts A, B, C, D, E, F, and G on the plat for Hampden Hills at Aurora Subdivision Filing No. 3, as recorded

on September 11, 1978, in Book 35 at Page 53 of the records in the office of the Clerk and Recorder of Arapahoe County, Colorado.

- 1.9 **Lot.** “Lot” shall hereinafter initially mean and refer to each of the following parcels of real property identified on the plat for Hampden Hills at Aurora Subdivision Filing No. 3, as recorded on September 11, 1978, in Book 35 at Page 53 of the records in the office of the Clerk and Recorder of Arapahoe County, Colorado, to-wit; Lots 1 to 4, Block,1; Lots 1 to 4, Block 2; Lots 1 to 11, Block 3; Lots 1 to 16, Block 4; Lots 1 to 4, Block 5; Lots 1 to 4, Block 6; Lots 1 to 7, Block 7; Lots 1 to 4, Block 8; Lot 1, Lot 9; Lots 1 to 4, Block 10; Lots 1 to 8, Block 11; Lot 1, Block 12; Lots 1 to 4, Block 13; Lots 1 to 10, Block 14; and Lots 1 to 4, Block 15; and shall include any Residence constructed thereon. (In explanation of the foregoing, Lot 1 in Block 1, together with any Residence constructed thereon, is a “Lot”; Lot 2 in Block 1, together with any Residence constructed thereon, is a separate “Lot”; Lot 3 in Block 1, together with any Residence constructed thereon, is a separate “Lot”, etc.)
- 1.10 **Mortgage.** “Mortgage” shall hereinafter mean any mortgage, deed of trust or other document pledging or encumbering a Lot as security for payment of a debt or obligation. “Mortgage” shall also mean and refer to any executory land sales contracted wherein the Administrator of Veterans Affairs, an Officer of the United States of America, is identified as the seller, whether such contract is recorded or not and whether such contract is owned by such Administrator or has been assigned by such Administrator and is owned by such Administrator’s assignee or by a remote assignee and land records in the office of the Clerk and Recorder of Arapahoe County, Colorado show such Administrators as having the record title to the Lot.
- 1.11 **Mortgagee.** “Mortgagee” shall hereinafter mean any person, corporation, partnership, trust, company or other legal entity which takes, holds, owns or is secured by a mortgage. “Mortgagee” shall also include the Administrator of Veteran Affairs, an Officer of the United States of America, and his assigns under any executory land sales contract wherein such Administrator is identified as seller, whether such contract is recorded or not and the land records in the office of the Clerk and Recorder of Arapahoe County, Colorado show such Administrator as having the record title to the Lot.
- 1.12 **Owner.** “Owner” shall hereinafter mean and refer to any record owner, whether a natural person or an entity, of a fee simple title interest (including a contract seller, but excluding those having such interest merely as a security for the performance of an obligation) to any Lot; but excluding, however, any such record owner having such an interest therein merely as a Mortgagee.
- 1.13 **Residence.** “Residence” shall hereinafter mean and refer to a single-family home or other similar single- family residential unit constructed upon a Lot for the permanent occupancy of an Owner and his or her family.
- 1.14 **Class I Lot.** “Class I Lot” Shall hereinafter mean and refer to any Lot owned by an owner other than Declarant.

1.15 **Class II Lot.** “Class II Lot” shall hereinafter mean and refer to any Lot owned by Declarant.

ARTICLE II **OFFICES**

2.1 **Registered Office and Agent.** The registered office and agent of the Association in Colorado shall be as designated by the Board from time to time.

2.2 **Principal Office.** The principal office of the Association shall be located at 3600 South Yosemite Street, Suite 250, Denver, Colorado 80237, but meetings of Owners and directors may be held at such places within the State of Colorado, County of Arapahoe, as may be designated by the Board.

ARTICLE III **OWNERS’ MEETINGS**

3.1 **First Annual Meeting.** The first annual meeting of the Owners shall be held within one year after (a) the Declarant has conveyed in excess of 50 percent of the Lots to the first Owners (excluding Declarant) thereof, or (b) the date of the incorporation of the Association, whichever may be sooner.

3.2 **Subsequent Annual Meetings.** Annual meetings of the Owners, subsequent to the first annual meeting, shall be in the same month of each year as the month in which the first annual meeting was held, the specific date thereof to be designated by the Board from time to time. Failure to hold any annual meeting of the Owners shall not work a forfeiture or dissolution of the Association.

3.3. **Special Meetings.** Special meetings of the Owners may be called by the Board or by the President and shall be called by the President or Secretary at the request in writing of not less than one-fourth of all the votes of the Class I Lot Owners who are entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

3.4 **Notice of Meetings.** Written notice of each meeting of the Owners shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each Owner entitled to vote thereat, addressed to the Owner’s address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting. Upon request, any Mortgagee shall be entitled to receive written notice of any or all Owner’s meetings and shall be permitted to designate a representative to attend all such meetings.

3.5 **Waiver of Notice.** Whenever any notice is required to be given to any Owner under the provisions of any statute or under the provisions of the Declaration, Articles of Incorporation

or these By- Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether at or after the time stated therein, shall be equivalent to the giving of such notice.

3.6 **Organization.** Meetings of the Owners shall be presided over by the President, or if the President is not present, by a Vice President, or if the President or a Vice President is not present, by a chairman pro tempore to be chosen by a majority of the Owners entitled to vote who are present in person or by proxy at the meeting. The Secretary of the Association, or in his or her absence, an Assistant Secretary, shall act as secretary of the meeting, or if neither the Secretary nor any Assistant Secretary is present, by a secretary pro tempore to be chosen by a majority of the Owners entitled to vote who are present in person or by proxy at the meeting.

3.7 **Voting.** Except as otherwise specifically provided by the Declaration or by the Articles of Incorporation or these Owners shall be decided by a vote of the majority of the votes validly cast at such meeting. The vote upon any question shall be by ballot whenever requested by any person entitled to vote, but, unless such a request is made, voting may be conducted in any way approved at the meeting.

3.8 **Owners Entitled to Vote.** At all meetings of Owners, each Owner shall be entitled to vote in person or by proxy.

3.9 **Proxies.** The right to vote by proxy shall exist only if the instrument authorizing such proxy to act shall have been executed in writing by the Owner himself or herself or by his or her attorney-in-fact duly authorized in writing. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Owner of his or her Lot.

3.10 **Quorum.** The presence at any annual or special Owners' meeting of Owners entitled to cast, or of proxies entitled to cast, one-tenth of the votes of each class of voting membership shall constitute quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By- Laws. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represent.

3.11 **Action by Owners Without a Meeting.** Any action required to be taken at a meeting of the Owners or any action which may be taken at such a meeting, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Owners entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Owners of the Association. A consent shall be sufficient for this Section if it is executed in counterparts, in which event all of such counterparts, when taken together, shall constitute one and the same consent.

ARTICLE IV
BOARD OF DIRECTORS

4.1 **Numbers and Term of Office.** Subject to Article V of the Articles of Incorporation, the Board shall consist of three directors who need not be members of the Association. Each director (whenever elected) shall hold office until his or her successor shall have been elected and qualified unless he or she shall resign or his or her office shall become vacant by such director's death or removal.

4.2 **Election of Directors.** The term of the initial or first Board of Directors named in Section 5.2 of the Articles of Incorporation shall be until the first annual Owners' meeting for the election of directors or until their resignation or their successors are elected or approved and qualify. Thereafter, in order to provide for persons upon the Board of Directors with experience, the directors shall have overlapping terms of offices. At the first annual Owner's meeting, the Owners shall elect one director for a term of one year, one director for a term of two years and one director for a term of three years; and at each annual meeting thereafter, the Owners shall elect one director for a term of three years.

4.3 **Nomination.** Nomination for election to the Board shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Owners, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

4.4 **Removal of Directors.** Subject to the provisions of Article III of the Declaration, the entire Board or any lesser number may be removed, with or without cause, by a vote of the holders of the majority of the votes then entitled to vote at an election of directors.

4.5 **Vacancies and Newly Created Directorships.** Any vacancy occurring in the Board may be filled by the affirmative vote of a majority of the remaining directors of the Board. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office and until his or her successor shall have been elected and qualified. Any directorship to be filled by reason of an increase in the number of directors shall subject to the provisions of Article III of the Declaration, be filled by an election of an annual meeting at a special meeting of Owners called for that purpose. A director chosen to fill a position resulting from an increase in the number of directors shall hold such position until the next annual meeting of Owners and until his or her successor shall have been elected and qualified.

4.6 **Resignations.** A director may resign at any time by mailing or delivering or by transmitting by telegram or cable written notice of his or her resignation to the Board at the Association's principal office or its registered office in the State of Colorado or to the President, the Secretary or any Assistant Secretary of the Association. Any such resignation shall take effect at the time specified therein or if no time be specified, then at the time of receipt thereof.

4.7 **Powers.** The Board shall have power to:

4.7.1 Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Owners and their guests thereon, and the establish penalties for the infraction thereof;

4.7.2 Suspend the voting rights and right to use of the recreational facilities of an Owner during any period in which such Owner shall be in default in the payment of any assessments levied by the Association and such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

4.7.3 Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By- Laws, the Articles of Incorporation or the Declaration;

4.7.4 Declare the office of a member of the Board to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board

4.7.5 Employ a manager, an independent contractor or such other employee as they deem necessary and to prescribe their duties.

4.8 **Duties.** It shall be the duty of the Board to:

4.8.1 Cause to be kept to complete record or all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Owners, or at any special meeting when such statement is requested in writing by one- fourth of the Class I voting membership who are entitled to vote;

4.8.2 Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

4.8.3 As more fully provided in the Declaration, to: (a) fix the amount of the annual assessment against each Lot at least 30 days in advance of each annual assessment period, (b) send written notice of each assessment to every Owner subject thereto at least 30 days in advance of each annual assessment period, and (c) foreclose the lien against any Lot for which assessments are not paid within 30 days after due date or to bring an action at law against the Owner personally obligated to pay the same;

4.8.5 Procure and maintain adequate liability and hazard insurance on property owned by the Association;

4.8.6 Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

4.8.7 Cause the Common Area to be maintained.

4.9 **Regular Meetings.** Regular meetings of the Board shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

4.10 **Special Meetings.** Special meetings of the Board may be called by the President on three days' notice to each director specifying the time and place of the meeting, can shall be called by the President or Secretary in like manner and on like notice on the written request of two or more directors.

4.11 **Notice.** All notices to a director required by this Article IV shall be addressed to him or her at his or her residence or usual place of business and may be given by mail, telegram, radiogram, cable or by personal delivery. No notice need be given of any adjourned meeting.

4.12 **Waiver of Notice.** Whenever any notice is required to be given to any director under the provisions of any statute or under the provisions of the Articles of Incorporation or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether at or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a director at a meeting, except where a director attends such a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4.13 **Quorum.** At all meetings of the Board a majority of the whole Board shall constitute a quorum from the transaction of business and, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these By- Laws, the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board; but in no event shall a quorum consist of less than one- third of the number of directors set forth in Section 4.1 hereof. In the absence of a quorum, the directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum be present.

4.14 **Action by Directors or Committee Without Meeting.** Any action required to be taken at a meeting of the directors or any committee thereof or any action which may be taken at such a meeting may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors or members of the committee, as the case may be, entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote of the Board or of the committee, as the case may be. A consent shall be sufficient for this Section if it is executed in counterparts in which event all of such counterparts, when taken together, shall constitute one and the same consent.

4.15 **Compensation.** No compensation shall be paid to directors for their service as directors. No remuneration shall be paid to a director for service performed by him or her for the Association in any other capacity. Notwithstanding the foregoing, a director may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association.

ARTICLE V
COMMITTEES

5.1 **Committees.** The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By- Laws. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE VI
OFFICERS AND AGENTS

6.1 **Officers.** The officers of the Association shall consist of a President and Vice President: (who shall at all times be members of the Board), a Secretary and a Treasurer, each of whom shall be elected by the Board. The Board may elect and appoint such other officers, assistant officers and agents as may be deemed necessary. No person may hold more than one office at any one time, except in the case of special offices created pursuant to this Article and except that the offices of Secretary and Treasurer may be held by the same person. Except for the President and any Vice Presidents, officers of the Association need not be a director of the Association.

6.2 **Term of Office.** The officers of the Association shall be elected annually by the Board and each shall hold office for one year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

6.3 **Election of Officers.** The officers of the Association shall be elected annually at the first meeting of the Board following each annual meeting of the Owners. Failure to annually re-elect officers of the Association shall not affect the validity of any action taken by an officer who shall have been duly elected and qualified and who shall not, at the time of such action, have resigned, died or been removed from his or her position as an officer of the Association.

6.4 **Resignation.** Any officer or agent of the Association may resign at any time by giving written notice of his or her resignation to the Board at the Association's principal office or its registered office in the State of Colorado or the President, the Secretary or any Assistant Secretary of the Association. Any such resignation shall take effect at the time of receipt thereof or at any later time specified therein, and unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6.5 **Removal.** Any officer or agent may be removed by the Board, either with or without cause, whenever in its judgement, the best interests of the Association will be served thereby.

6.6 **Vacancies and Newly Created Offices.** If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification or other cause, or if any new office shall be created, such vacancies or newly created offices may be filled by the Board at any regular or special meeting. The officer appointed to any vacancy shall serve for the remainder of the term of the officer he or she replaces.

6.7 **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

6.8 **President.** The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

6.9 **Vice President.** The Vice President may act in place of the President in case of his or her death, absence, inability or failure to act, and shall perform such other duties and have such other authority as is from time to time delegated by the Board.

6.10 **Secretary.** The Secretary shall be the custodian of the records and of the seal of the Association and shall affix the seal to all documents requiring the same; shall see that all notices are duly given in accordance with the provisions of the Declaration and these By-Laws and as required by law, and that the books, reports and other documents and records of the Association are properly kept and filed; shall keep minutes of the meetings of the Owners and Board and record the votes; shall keep at the registered office of the Association a record of the names and addresses of the Owners and, in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board or by the President.

6.11 **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a certified public account at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Owners at their regular annual meeting and deliver a copy of each to the Owners.

6.12 **Compensation.** No compensation shall be paid to officers for their services as officers; provided, however, from time to time, an officer may be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the Association. Agents, factors and employees shall receive such reasonable compensation for their services as may be authorized or ratified by the Board. Appointment of an agent, factor or employee shall not of itself create contractual rights to compensation for services performed by such agent, factor or employee.

6.13 **Surety Bonds.** The Board may require any officer or agent of the Association to execute a bond to the Association in such sum and which such surety or sureties as the Board may determine, conditioned upon the faithful performance of his or her duties to the Association, including responsibility for negligence and for the accounting of the Association's property, funds or securities that may come into his or her hands.

ARTICLE VII
INDEMNIFICATION OF DIRECTORS AND OFFICERS

7.1 **Indemnification.** To the extent that indemnification is afforded through officers' and directors' personal liability insurance purchased by the Association and only to the extent of the amount actually afforded through such insurance, the Association shall indemnify any director, officer or former director or officer of the Association against expenses actually and reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, in which her or she is made a party by reason of being or having been a director or officer of the Association, except in relation to matters as to which he or she is adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of his or her duties to the Association. As to whether or not a director or officer was liable by reason of negligence or misconduct in the performance of his or her duties as such director or officer of the Association, in the absence of such final adjudication of the existence of such liability, the Board and each director and officer may conclusively rely upon an opinion of legal counsel selected by or in the manner designated by the Board. The foregoing right to indemnification shall be in addition to and not in limitation of all other rights to which such person may be entitled as a matter of law, and shall inure to the benefit of the legal representatives of such person.

ARTICLE VIII
ASSESSMENTS

8.1 **Assessments.** As more fully provided in the Declaration, each Owner is obligated to pay to the Association annual and special assessments which are secured by continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 10% per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien, against the Lot and interest, cost and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE IX

9.1 **Fiscal Year.** The fiscal year of the Association shall commence on January 1 and terminate on the following December 31, except that the first fiscal year shall begin on the date of incorporation. The Board shall have the right from time to time to select any other fiscal year it deems proper.

9.2 **Seal.** The Board may adopt a corporation seal of such design as it may deem appropriate from time to time. Any officer or director of the Association shall have the authority to affix the corporate seal of the Association to any document requiring the same.

9.3 **Books and Records.** The Association shall keep detailed, accurate and complete books and records of the receipts and expenditures (including receipts and expenditures affecting the

Common Area) and shall keep minutes of the proceedings of the Owners, Board and committees, and shall keep at its registered office or principal office in Colorado, a record of the names and addresses of the Owners entitled to vote. All the books and records of the Association shall be available for examination by any Owner or Mortgagee, or by his or her or tis agent or attorney at convenient weekday business hours. Any Owner shall be entitled to obtain a certificated of status of assessments setting forth the amount of any unpaid assessments or other charges due and owing from such Owner. Upon request and payment of a reasonable fee therefore, all Owners and Mortgagees shall have the right to obtain copies of the annual reports and other financial data pertaining to the Association. The Declaration, the Articles of Incorporation and these By-Laws shall be available for inspection by any Owner or Mortgagee at the principal office of the Association, where copies may be purchased at reasonable cost.

9.4 **Waivers of Notice.** Whenever any notice is required to be given by law, or under the provisions of the Declaration, Articles of Incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether at or after the time stated therein, shall be deemed equivalent of notice.

9.5 **Amendments.** These By-Laws may be amended at a regular or special meeting of the Owners; by a vote of a majority of a quorum of Owners present in person or by proxy; provided, however, the Federal Housing Administration or the Veterans Administration shall have the right to veto amends while there is Class II voting membership.

9.6 **Limitations on Amendments.** No amendment of the Articles of Incorporation or of these By-Laws shall be contrary to or inconsistent with any provision of the Declaration.

9.7 **Annual Audited Financial Statements.** Upon the close of each fiscal year, the Association shall obtain an audit of financial affairs for such year by a certified public accountant authorized to practice in the State of Colorado. Upon request, all Owners and Mortgagees shall have the right to obtain copies of the annual audited financial statements of the Association within 90 days following the end of the fiscal year.

9.8 **Document Conflict.** In the case of any conflict between Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these By-Laws or between the Declaration and the Articles of Incorporation, the Declaration shall control.